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> COMMITTEE ON **WAYS AND MEANS**

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Congress of the United States House of Representatives

Washington, DC 20515-2508

March 19, 2020

The Honorable Nancy Pelosi Speaker U.S. House of Representatives Washington, DC 20515

The Honorable Kevin McCarthy

U.S. House of Representatives

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The Honorable Mitch McConnell Majority Leader United State Senate Washington, DC 20510

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The Honorable Michael R. Pence

Vice President of the United States

White House Coronavirus Task Force

The Honorable Charles E. Schumer Democratic Leader United State Senate Washington, DC 20510

Vice President Pence, Leader McConnell, Leader Schumer, Speaker Pelosi, Leader McCarthy:

I would first like to applaud you for your commitment to helping Americans across the country weather the current public health emergency gripping the nation. It is during times like these that the American people look to their leaders for help, and I am proud that President Trump and Congress stand ready to rise to that challenge.

As you continue working on numerous relief packages to address this unfolding crisis, I hope you will consider the unique challenges faced by those in rural America. Unfortunately, these challenges are often not fully understood and therefore not adequately addressed. With that in mind, I've been speaking with families, small business owners, farmers, and ranchers in rural America, including those in southern Missouri, about how to best tackle their specific needs during this national health crisis. I hope that you will consider these proposals from the heart of rural America as part of any packages seeking to address this crisis.

Small Business Administration (SBA) Loan Expansion

Rural Americans need flexibility and increased access to government-backed loan programs in order to ensure that farmers, ranchers, and Main Street businesses can survive this national health emergency. Small businesses in southern Missouri, and across the country, are already feeling the impacts of this epidemic.

To ensure producers and businesses will continue to serve their communities for years to come, we must create an interest-free or low-interest loan program that addresses their unique needs:

- A loan program that allows the SBA to issue zero-interest loans with a tiered repayment schedule, incentivizing loan repayment without the concern of high-interest rates.
- Qualifying expenses would include payroll, insurance, and diverse operating costs, including rent and utilities, as well as farming equipment and supplies.

Assistance for all Farmers and Producers

- In addition to increased access to low- and zero-interest loans, farmers and ranchers need maximum flexibility.
- The Farm Service Agency (FSA) and SBA must work together to best serve the needs of producers.
- I support the Trump Administration's proposal to extend the repayment period for marketing assistance loans. These repayment periods should be extended with no interest.
- I also support their efforts to continue the essential functions of the FSA.
- I also support lenders within the Farm Credit System finding creative ways to assist with producer debt either through restructuring or refinancing.
- Farmers and producers need money in their pockets now. The U.S Department of Agriculture (USDA) needs to fully utilize the Commodity Credit Corporation (CCC) in order to directly provide disaster assistance to producers across the spectrum.
- Disaster assistance programs such as the Livestock Forage Disaster Program (LFP) or the Livestock Indemnity Program (LIP) should be repurposed to provide direct and immediate assistance to producers.
- I applaud the Trump Administration for its Hours of Service (HOS) Emergency Waiver to ensure that grocery stores are stocked as quickly as possible. I am also calling on the Administration to extend this waiver to apply to the livestock supply chain. Producers need timely movement of livestock, access to feed and critical animal health technologies.

Agriculture Risk Coverage (ARC)/Price Loss Coverage (PLC) Advanced Payments

• To get further relief to farmers fast, an advance on either their ARC or PLC payments would go a long way. USDA can use the monthly average market price to provide this immediate relief. This is an essential measure that will ensure farmers have the liquidity they need to maintain their operations.

Delay Implementation of Ongoing Regulatory Actions

• All state and federal resources should be focused on responding to this epidemic rather than rolling out new regulations at a time when farmers, producers and small businesses are trying to stay afloat.

Broadband Access

- Our rural communities have long lagged behind urban and suburban communities in broadband access.
- As our nation continues to combat this historic pandemic, we need to ensure our rural communities have access to the information and services they need.
- A good place to advance these priorities would be to increase funding for USDA's Distance Learning and Telemedicine Program.

Protecting Rural Hospitals and Health Clinics

- Many hospitals in southern Missouri and rural communities across the country are on the brink of closure. Now, with Medicare patients remaining home to prevent exposure to the Coronavirus (COVID-19), these hospitals' financial struggles have only been exacerbated.
- To ensure the survival of rural hospitals and maintain patient access to health care in my district, I am proposing we include provisions in the upcoming packages to help these providers keep their doors open, including;
 - O Providing direct monetary assistance to rural hospitals, especially Critical Access Hospitals (CAHs), sole community hospitals (SCHs), and Medicare-dependent hospitals (MDHs), to help these facilities survive this public health emergency.
 - o Ensuring that rural facilities are reimbursed at the same rate as urban providers for treating Medicare and Medicaid patients.
 - Compensating rural facilities at a higher rate for telemedicine to further incentivize its usage in remote areas.
 - Placing a moratorium on the two percent Medicare sequester for at least the duration of this emergency.
 - Waiving the CAH 96-hour condition of payment in addition to the 96-hour average length of stay.
 - Oblaying cuts to Medicaid disproportionate share hospital (DSH) payments for, at a minimum, the duration of this public health emergency, if not indefinitely.

Preventing Pandemic Profiting

- Regarding medical equipment, we must send a strong message to all Americans that we will not tolerate recent acts of price gouging on items necessary for the health, safety, and welfare of others during a national health emergency.
- The upcoming packages should include my bipartisan legislation, H.R. 6264, the Preventing Pandemic Profiting Act, which targets those trying to sell goods and services deemed vital and necessary for the health, safety, and welfare of others at an "unconscionably excessive price" during a declared emergency.

In this difficult time, I know that you all have the best interests of the American people at heart. As President Trump has said, we are on a war footing in fighting this virus. Our response to this historic pandemic will require an equally historic response. I applaud the tireless work you have done, setting aside partisan differences to work together towards one common goal. Please let me know if I can be of any assistance to you all during this time of crisis.

Sincerely,

Jason Smith

Member of Congress